Human Resources Development Canada
Développement des ressources humaines Canada

Workplace Information Directorate
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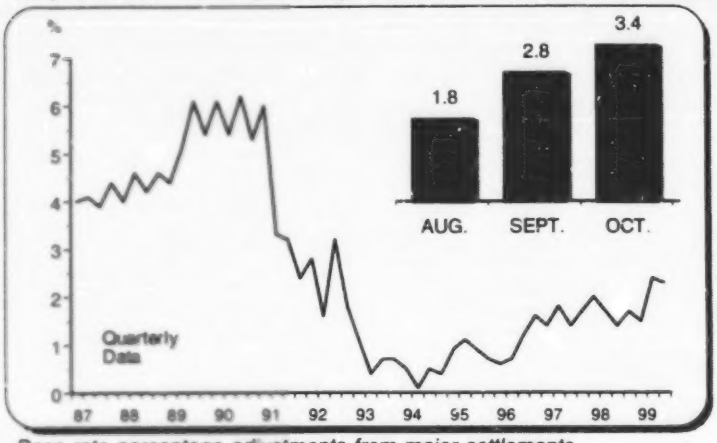
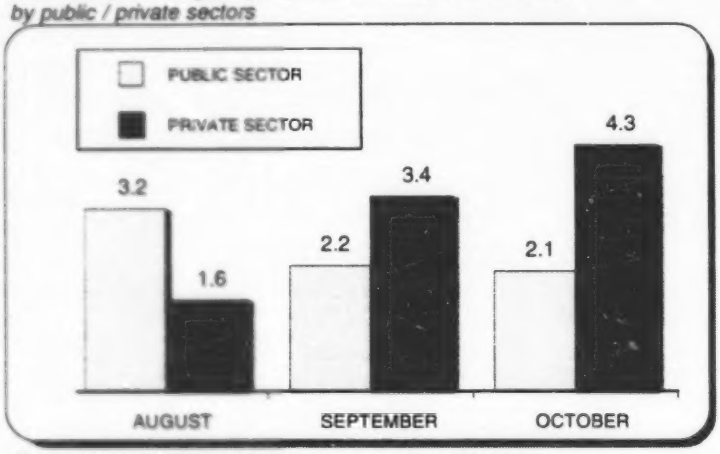
...ENTS BULLETIN

December 1999
Volume 10, Issue 12

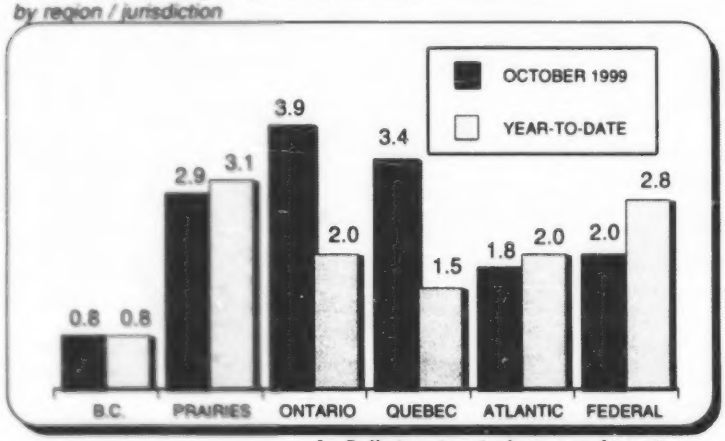
Perspective on base rate percentage adjustments from major settlements



Base rate percentage adjustments from major settlements, by public / private sectors



Base rate percentage adjustments in major settlements, by region / jurisdiction



Le Bulletin existe également en français.

October 1999

Base-rate wage adjustmer ts from major collective bargaining settlements ratified in **October of 1999**, averaged **3.4 per cent** annually over the contract-term, up from the 2.8 per cent average in September, and 1.6 per cent for the year 1998. Wage adjustments so far in 1999 (January to October), have averaged 2.2 per cent.

The October results are based on a review of 27 settlements reached in the period, with a coverage of 62,170 employees. When the parties to these settlements previously negotiated (with contract durations averaging approximately 33 months), the resulting wage adjustments averaged 2.7 per cent, compared to the 3.4 per cent gain in their most recent settlements.

The General Motors and DaimlerChrysler settlements had the largest impact on wages in October. The two auto companies accounted for 8 settlements covering 34,860 Canadian Auto workers (56% of the total employee coverage for October), with wage increases averaging 4.4 or 4.5 per cent. Excluding the automotive sector settlements, wage increases averaged 2.1 per cent for the remaining 27,310 employees in 19 October agreements.

Wage adjustments for 24,510 employees in 15 October **public-sector** settlements averaged 2.1 per cent, a slight decrease from 2.2 per cent in September, and an increase from 1.6 per cent for the year 1998. One noteworthy agreement was between the Government of Canada and 9,410 public service employees in the auditing, commerce and purchasing group for wage increases averaging 2.0 per cent; there were also 3 settlements averaging 2.3 per cent between the Toronto Police Services Board and 7,000 officers (uniform, Unit A and Unit C). In the **private sector**, 12 settlements reached in October provided wage adjustments averaging 4.3 per cent for 37,660 employees.

On a regional/jurisdictional basis, wage adjustments in October, in descending order of magnitude were: Ontario at 3.9 per cent (14 agreements covering 43,050 employees); Quebec at 3.4 per cent (3 agreements covering 3,470 employees); the Prairies at 2.9 per cent (5 agreements covering 3,050 employees); the

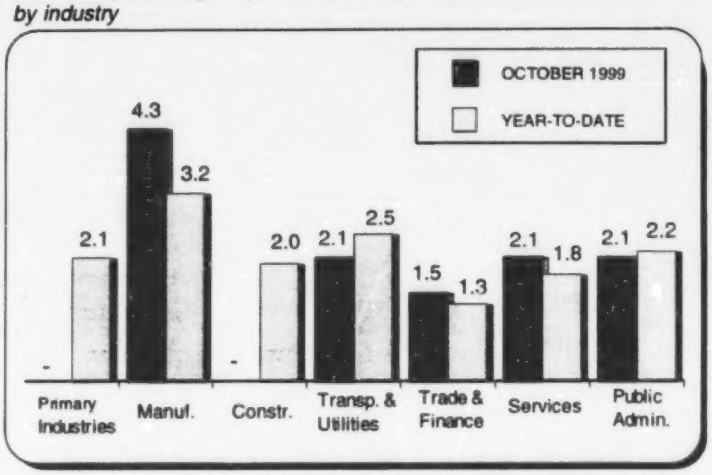
Canada

Federal jurisdiction at 2.0 per cent (2 agreements covering 9,910 employees); the Atlantic provinces at 1.8 per cent (1 agreement covering 500 employees), and in B.C. at 0.8 per cent (2 agreements covering 2,190 employees).

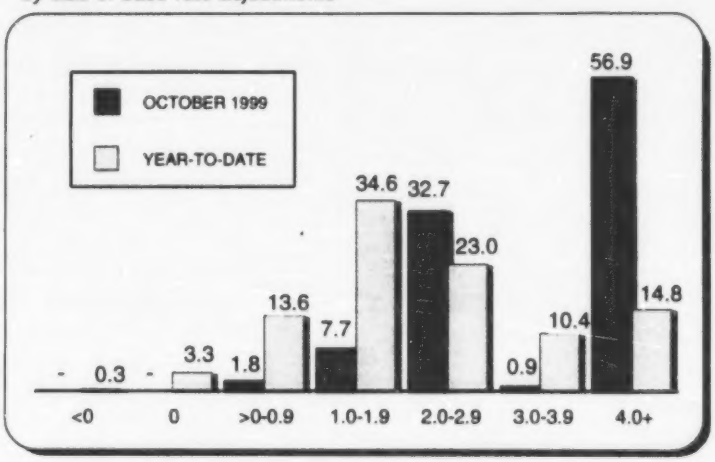
On an industry basis, the largest proportion of employees was in the **manufacturing** sector (impact of the auto sector settlements again) with 37,160 employees in 11 agreements; it also had the largest average wage increase at 4.3 per cent. In the remaining industry divisions, wage increases averaged 2.1 per cent in each of **transportation and utilities** (2 agreements covering 1,090 employees), the **services** sector (7 agreements covering 5,160 employees) as well as **public administration** (6 agreements covering 18,210 employees). A single agreement in the **trade** sector averaged 1.5 per cent (Quebec Liquor Corp.).

There were no settlements ratified in the month of October with a wage cut or freeze. The majority of workers (56.9% of employees) received wage increases in the 4.0 to 4.9 per cent range. The second largest concentration of employees (32.7%) received increases in the 2.0 to 2.9 per cent range. There were only 1,090 employees (1.8% of all employees) in the 0.1 to 0.9 per cent range, and 4,810 employees (7.7% of all employees) in the 1.0 to 1.9 per cent range. Also that month, 580 workers (0.9% of all employees) received increases ranging from 3.0 to 3.9 per cent.

Base rate percentage adjustments in major settlements, by industry



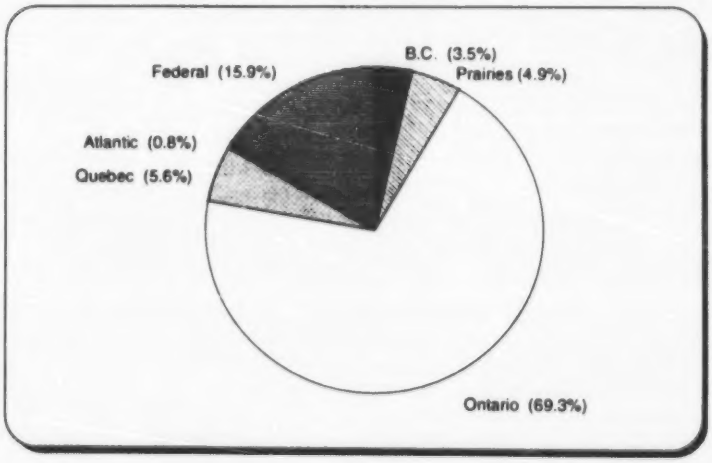
Percentage distribution of employees in major settlements, by size of base rate adjustments



The distribution of settlements and employees by region/jurisdiction is shown in the table below and the accompanying chart.

	Agreements	Employees
Atlantic provinces	1	500
Quebec	3	3,470
Ontario	14	43,050
Prairie provinces	5	3,050
British Columbia	2	2,190
Federal	2	9,910

Percentage distribution of employees in major settlements, by region/jurisdiction



MAJOR SETTLEMENTS REACHED IN OCTOBER

Industry and Employer	No. of empls.	Average annual percentage adj.	First year adjustment	Duration (months)	Expiry date
Manufacturing (11 agreements)	**37,160**	**4.3**	**3.7**	**38.2**	.
Bowater Mersey Paper Co. Limited, mill employees, Liverpool (N.S.)	500	1.8	0.0	72	2004-04-30
Bridgestone/Firestone Canada Inc., plant & maintenance employees, Joliette (Que.)	850	2.2*	3.2	72	2005-08-31
General Motors of Canada Limited, plant & maintenance employees, Boisbriand (Que.)	2,070	4.5*	3.9	36	2002-09-17
DaimlerChrysler Canada Inc., plant & maintenance employees, Ajax (Ont.)	680	4.5*	3.9	36	2002-09-17
DaimlerChrysler Canada Inc., plant & maintenance employees, Bramalea (Ont.)	4,350	4.5*	3.9	36	2002-09-17
DaimlerChrysler Canada Inc., plant & maintenance employees, Windsor (Ont.)	8,030	4.5*	3.9	36	2002-09-17
General Motors of Canada Limited, plant & maintenance employees, London (Ont.)	1,600	4.4*	3.7	36	2002-09-17
General Motors of Canada Limited, plant & maintenance employees, Oshawa (Ont.)	11,250	4.4*	3.8	36	2002-09-17
General Motors of Canada Limited, plant & maintenance employees, St. Catharines (Ont.)	5,090	4.4*	3.8	36	2002-09-17
General Motors of Canada Limited, plant & maintenance employees Windsor (Ont.)	1,790	4.4*	3.8	36	2002-09-17
Spruce Falls Inc., mill employees, Kapuskasing (Ont.)	950	1.9	0.0	72	2005-09-30
Transportation, Communication and Other Utilities (2 agreements)	**1,090**	**2.1**	**1.8**	**36**	.
Epcor Utilities Inc., utility workers, Edmonton (Alta.)	590	2.8	2.5	36	2001-12-29
Council of Marine Carriers, unlicensed personnel, Coast (B.C.)	500	1.3	1.0	36	2000-09-30
Trade-Finance (1 agreement)	**550**	**1.5**	**1.5**	**24**	.
Société des alcools du Québec, warehouse employees, province-wide (Que.)	550	1.5	1.5	24	2000-12-31
Community, Business & Personal Services (7 agreements)	**5,160**	**2.1**	**1.8**	**27.3**	.
Peel District School Board, occasional teachers, Mississauga (Ont.)	510	1.9	0.0	30	2000-06-30
York University, professors, North York (Ont.)	1,100	2.0	2.5	24	2001-04-30
St. James-Assiniboia School Division No. 2, elementary and secondary teachers, St. James-Assiniboia (Man.)	650	2.0	2.0	24	2000-06-30
Chinook's Edge School Division No. 73, elementary and secondary teachers, Red Deer (Alta.)	580	3.1	2.0	36	2000-08-31
Government of Alberta, health & social care professionals, province-wide (Alta.)	710	2.3	2.4	24	1999-08-31

continued on next page

** Agreements with cost-of-living allowances (COLA) calculated at a projected 2.0% inflation rate.*

MAJOR SETTLEMENTS REACHED IN OCTOBER (continued)

Industry and employer	No. of empls.	Average annual percentage adj.	First year adjustment	Duration (months)	Expiry date
Red Deer Public School District No. 104, elementary and secondary teachers, Red Deer (Alta.)	520	4.6	4.6	12	2000-08-31
Board of School Trustees of School District No. 43, office and clerical employees, Coquitlam (B.C.)	1,090	0.5	0.0	36	2001-12-31
Public Administration (6 agreements)	**18,210**	**2.1**	**1.9**	**24.1**	.
City of Kingston, inside & outside employees, Kingston (Ont.)	700	1.7	0.0	48	2001-12-31
Toronto Police Services Board, office and clerical employees, Toronto (Ont.)	900	2.3	2.0	36	2001-12-31
Toronto Police Services Board, police cadets, Toronto (Ont.)	1,000	2.3	2.0	36	2001-12-31
Toronto Police Services Board, police officers, Toronto (Ont.)	5,100	2.3	2.0	36	2001-12-31
District of Saanich, inside employees, Saanich (B.C.)	1,100	1.0	1.1	36	2001-12-31
Government of Canada, commerce officers, Canada-Wide	9,410	2.0	2.0	12	2000-06-21
Agreements with COLA (9 agreements)	**35,710**	**4.4**	**3.8**	**36.9**	
Agreements without COLA (18 agreements)	**26,460**	**2.0**	**1.7**	**27.8**	
All agreements (27 agreements)	**62,170**	**3.4**	**2.9**	**33.0**	

** Agreements with cost-of-living allowances (COLA) calculated at a projected 2.0% inflation rate.*
***Note**: Adjustments are calculated on the rate for a qualified worker at the bottom of the salary scale.*

WAGE INCREASES FROM MAJOR SETTLEMENTS
(effective average annual percentage adjustments in base rates)

	1996	1997	1998	1998		1999			Year to	1999		
				3	4	1	2	3	date*	Aug	Sep	Oct
All Industries/Jurisdictions												
Average Annual Adjustment	0.9	1.5	1.6	1.4	1.7	1.5	2.4	2.3	2.2	1.8	2.8	3.4
Non-COLA	0.6	1.4	1.6	1.3	1.7	1.5	2.5	2.1	2.0	1.8	2.1	2.0
COLA	2.5	1.7	2.6	2.3	3.2	2.1	2.0	3.9	3.3	2.1	4.4	4.4
First Year Adjustment	0.7	1.2	1.4	0.9	1.8	1.2	2.1	1.8	1.8	0.9	2.5	2.9
Non-COLA	0.5	1.1	1.3	0.9	1.7	1.2	2.2	1.6	1.6	0.9	1.9	1.7
COLA	2.5	1.7	2.6	2.5	4.9	2.0	1.8	3.4	2.9	2.0	3.8	3.8
Industries												
Primary Industries	1.7	1.7	1.1	-	0.0	-	2.6	1.6	2.1	1.3	-	-
Manufacturing	2.8	2.3	1.4	1.1	1.9	1.6	2.1	3.3	3.2	3.1	3.8	4.3
Construction	0.1	1.6	2.4	2.0	2.4	2.5	5.3	1.4	2.0	1.3	-	-
Transp. & Communication	0.7	1.6	1.9	1.7	2.2	2.0	2.3	3.4	2.5	6.3	1.9	2.1
Trade-Finance	0.6	1.7	1.5	2.0	1.5	2.4	1.0	1.9	1.3	1.9	2.0	1.5
Services	0.6	1.0	1.3	1.1	1.0	0.9	2.3	2.4	1.8	3.1	2.2	2.1
Public Administration	0.4	1.4	1.8	1.4	2.2	1.7	3.1	2.2	2.2	-	2.3	2.1
Jurisdictions												
Newfoundland	2.0	1.7	1.3	-	-	1.5	1.6	-	1.6	2.2	-	-
Prince Edward Island	1.7	-	2.1	-	2.1	2.8	2.3	-	2.5	-	-	2.1
Nova Scotia	1.7	2.0	2.5	1.9	1.8	4.5	-	1.9	2.1	-	1.4	1.8
New Brunswick	1.7	1.0	1.5	2.3	1.7	-	1.6	2.1	2.4	-	3.2	-
Quebec	1.7	1.3	0.9	2.0	1.7	1.3	1.4	2.4	1.5	1.4	1.7	3.4
Ontario	0.9	1.1	1.6	2.0	0.8	1.4	1.6	1.9	2.0	2.2	3.3	3.9
Manitoba	0.2	1.1	1.4	0.3	1.3	1.5	2.8	0.3	2.5	-	1.8	2.0
Saskatchewan	1.1	0.9	1.8	1.4	2.0	2.6	1.7	1.4	2.2	3.5	-	-
Alberta	1.1	2.4	3.0	2.5	2.9	4.3	4.3	2.5	4.1	-	3.5	3.1
British Columbia	0.6	1.4	0.7	0.7	0.9	0.7	0.5	0.7	0.8	0.9	0.7	0.8
Multi-Province	2.3	3.0	1.7	1.7	-	1.8	3.7	1.7	2.9	-	-	-
Federal Jurisdiction	0.5	1.8	2.1	1.8	2.2	2.0	3.1	1.8	2.8	7.3	2.2	2.0
Public Sector	0.5	1.2	1.6	1.2	1.7	1.3	2.4	2.4	1.9	3.2	2.2	2.1
Private Sector	1.7	1.8	1.8	1.7	1.9	2.2	2.4	2.3	2.6	1.6	3.4	4.3
Consumer Price Index	1.6	1.6	0.9	0.9	1.1	0.8	1.6	2.2	1.6	2.1	2.6	2.3

*January to October data

Data for the current month are preliminary

MOST RECENT SETTLEMENTS

Employer	Union	Number of employees	Settlement month
•Eastern Canada Car Carriers	Teamsters	1,600	Dec. 99
•Hydro Quebec	CUPE	14,300	Nov. 99
•INCO Ltd. (Man.)	Steelworkers	1,070	Dec. 99
•Agricore	Grain Services Union	850	Dec. 99
•Telus Communications Inc.	IBEW	3,530	Nov. 99
•B.C. Maritime Employers' Assn.	ILWU	2,000	Nov. 99

CURRENT KEY NEGOTIATIONS

Employer	Union	Number of employees	Status*	Expiry month
Public Sector				
•Government of Canada	various unions	127,790	B/CO	Oct.98/Sept.99
•SRC (Radio-Canada)	STARF	1,160	CO	March 99
•Canada Post**	CUPW	47,900	MED/ARB	July 97
•Cape Breton Development Corp.	Mineworkers (UMWA)	1,200	B	Dec. 98
•Government of Nova Scotia	N.S. Teachers' Union	10,000	B	Oct. 99
•Government of Nova Scotia	CUPE	1,400	B	Oct. 99
•Sydney Steel	Steelworkers	600	B	Oct. 99
•New Brunswick Power Corp.	IBEW	600	B	Sept. 99
•Government of Quebec	various unions	332,100	B	June 98
•Toronto Transit Commission	ATU	7,700	ARB	March 99
•City of Toronto	CUPE (inside workers)	21,000	CO	various
•City of Toronto	Firefighters	3,000	ARB	various
•Ontario hospitals	ONA	37,000	MED	March 98
•Ontario hospitals	OPSEU (technicians)	5,000	B	March 99
•Government of Saskatchewan	Sask. Teachers' Fed.	12,000	B	Dec. 99
•Government of Alberta	AUPE	21,290	B	Aug. 99
•B.C. Ferry Corp.	B.C. Ferry & Marine Workers	4,360	PMB	Oct. 98
Private Sector				
•Eastern Canada pulp and paper cos.	CEP	1,080	B	various 98
•NAV CANADA	ATSAC	800	CO	April 98
•Miracle Food Mart (A&P) (Ont.)	UFCW	3,600	B	Nov. 99
•Saskatchewan Wheat Pool	Grain Services Union	1,200	Tent.	Jan. 00

Status* :

ARB	arbitration	MED	mediation	PMB	post-mediation bargaining
B	bargaining	M/WS	mediation after work stoppage	Tent.	tentative agreement
B/WS	bargaining after work stoppage	PAB	post-arbitration bargaining	WS	work stoppage
CO	conciliation	PCB	post-conciliation bargaining		

** Ongoing negotiations on working conditions

UPCOMING KEY NEGOTIATIONS

Employer	Union	Number of employees	Expiry month
•Bell Canada	Telephone Employees (Ind.)	1,285	Dec. 99
•Purolator Courier	Teamsters	8,000	Dec. 99
•Alcan	CNTU (metal workers)	2,950	Jan. 00
•Laurentienne Bank	OPEIU	1,510	Dec. 99
•Montreal Transit (STCUM)	CUPE, CNTU (Public Service Fed.)	6,420	Jan. 00
•Ontario Provincial Police	OPPA	4,840	Dec. 99

EXPLANATORY NOTES

Sources: The information on collective bargaining and wage settlements in this bulletin is produced by the Workplace Information Directorate. Data for the Consumer Price Index are from Statistics Canada's The Consumer Price Index (Cat. 62-001), and for Average Weekly Earnings from *Employment, Earnings and Hours of Work (Cat. 72-002)*.

Coverage: The information on collective bargaining settlements and negotiations pertain to bargaining units involving 500 or more employees in all industries and jurisdictions across Canada. The Directorate monitors 1,220 such agreements for 2,636,000 employees. The employee coverage represents approximately 55 per cent of the unionized workforce and 20 per cent of non-agricultural paid employment.

Base rate adjustments: The "base rate" which is used in all calculations is the wage rate of the lowest paid classification containing a significant number of qualified workers in the bargaining unit. Wage adjustments are the average annual percentage adjustment in base rates over the term of the agreement in settlements negotiated during the period shown. The average is obtained by weighting individual settlements by the number of employees affected. The adjustments include estimated cost-of-living allowance (COLA) payments calculated at a projected 2.0 percent inflation rate.

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